PARTNERS IN HEALTH
STATE TRIBAL RELATIONS EVENTS 2018

South Dakota Health Care Solutions Coalition

HOSTED BY THE SOUTH DAKOTA DEPARTMENTS OF TRIBAL RELATIONS, HEALTH, AND SOCIAL SERVICES

Medicaid Today

- Medicaid covers approximately 119,000 South Dakotans
    - 35% are American Indians who are also eligible for services from IHS

- People can be eligible for IHS AND also Medicaid eligible
    - When an American Indian is Medicaid eligible and gets services “through” an IHS Facility, IHS bills Medicaid, and the federal government pays 100% (100% FMAP)
    - When an American Indian is Medicaid eligible and gets services outside IHS, the non-IHS provider bills Medicaid and the federal government pays about 55%, and the state pays the balance

Medicaid Today

- When services are not “received through” IHS, the state has to pay for services that are supposed to be provided by the federal government
    - Significant amount of state general funds spent in Medicaid budget
    - $96 million in state funds in FY17

SD Healthcare Solutions Coalition

- Formed in late 2015 to develop strategies to improve health outcomes and 100% federal funded health care access for individuals eligible for Medicaid and IHS, in anticipation of federal Medicaid funding policy change

- Group includes legislators, tribes, IHS, providers, governor's office and state agency staff

- Chaired by Jerilyn Church, Great Plains Tribal Chairman's Health Board and Kim Malsam-Rysdon, Senior Advisor to the Governor/Secretary of Health

- 9 participants representing the following tribes:
  - Cheyenne River Sioux Tribe
  - Flandreau Santee Sioux Tribe
  - Oglala Sioux Tribe
  - Rosebud Sioux Tribe
  - Sisseton Wahpeton Oyate

SD Healthcare Solutions Coalition

- Timeline of Key Events:

January, 2016

- Coalition determined federal policy change, if enacted, would free up enough existing state funds to pay for Medicaid expansion
- Coalition recommends additional substance abuse, mental health, prenatal care, and telehealth services

February, 2016

- Federal government changed Medicaid funding policy on February 26 to allow more service to be funded at 100% FMAP- expanded the “received through” interpretation
  - Requires individual to be confirmed “patient” of IHS; IHS and non-IHS providers mus have care coordination agreements and share medical records
  - Providers, including IHS, need to make changes and need incentive to implement th policy
  - Too late in state legislative session to proceed with Medicaid expansion

SD Healthcare Solutions Coalition

- Timeline of Key Events:

November, 2016

- Change in federal administration, expectation of Obamacare repeal and federal Medicaid reform
- Decision to not move forward with Medicaid expansion based on lack of federal and state legislative support

January, 2017

- Coalition changed focus to implement federal policy change without incentive of Medicaid expansion

SD Healthcare Solutions Coalition

- Timeline of Key Events:

May, 2017- October, 2017

- Coalition recommends implementation of federal 100% FMAP policy for services that start at IHS and are referred to another provider- “referred care”

- Revisited prior recommendations of the Coalition to evaluate progress on access to services and where funding is needed to implement recommendations

    - Targeting $6.7 million state funds spent on referred care for 6 largest providers

        - FY19- $4.6 million
        - FY20- $6.7 million

November, 2017

- Care coordination agreements signed between 3 large hospital systems and IHS; workin three additional provider agreements

SD Healthcare Solutions Coalition

- With savings in existing budget:

1. Fund recommendations to increase **access to key services in Medicaid**
    a. Fund substance abuse services for an estimated 1,900 adults on Medicaid
    b. Add mental health providers to Medicaid increasing access to 465 people
    c. Develop community health worker services with capacity to serve 1,500
    d. Fund innovative prenatal and primary care

2. After services are funded, **share % of additional savings with participating providers**
    a. Tiered sharing based on amount saved:
        i. Up to $500k 5% shared savings
        ii. $500k-$1m 10% shared savings
        iii. Over $1m 15% shared savings

3. After sharing savings with participating providers, **use remaining savings to increase Medicaid provider rates**
    a. Priority for community based providers with rates less than 90% of costs
        i. Includes assisted living, home care, nursing, group care services for youth

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Strategy	**FY19- Partial implementation**	**FY20- Full implementation**
Add Substance Abuse Services	$872k	$872k
Add Mental Health Providers	$265k	$540k
Add Community Health Workers	$100k	$400k
Innovation Grants-Prenatal and Primary Care		$1m
Shared Savings with Providers	$630k	$800k
Provider Rates	$2.7m	$3.1m
Total	**$4.6m**	**$6.7m**

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- Next Steps:
  - Seek legislative support to add behavioral health services to Medicaid and invest in Medicaid rates for providers
  - Determine additional ways to implement 100% FMAP policy in future and reinvest in Medicaid
    - Care coordination agreements with additional providers
    - Use policy for additional services

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